
**Intergovernmental Working Group of Experts on International
Standards of Accounting and Reporting
(ISAR)**

**41st SESSION
6 – 8 November 2024**

Thursday, 7 November 2024

**Agenda item 4. Integrating reporting on the financial and
sustainability performance of entities: Leveraging
digitalization**

Presented by

Richard Bössen
Senior Manager, Digital Reporting
European Financial Reporting Advisory Group (EFRAG)

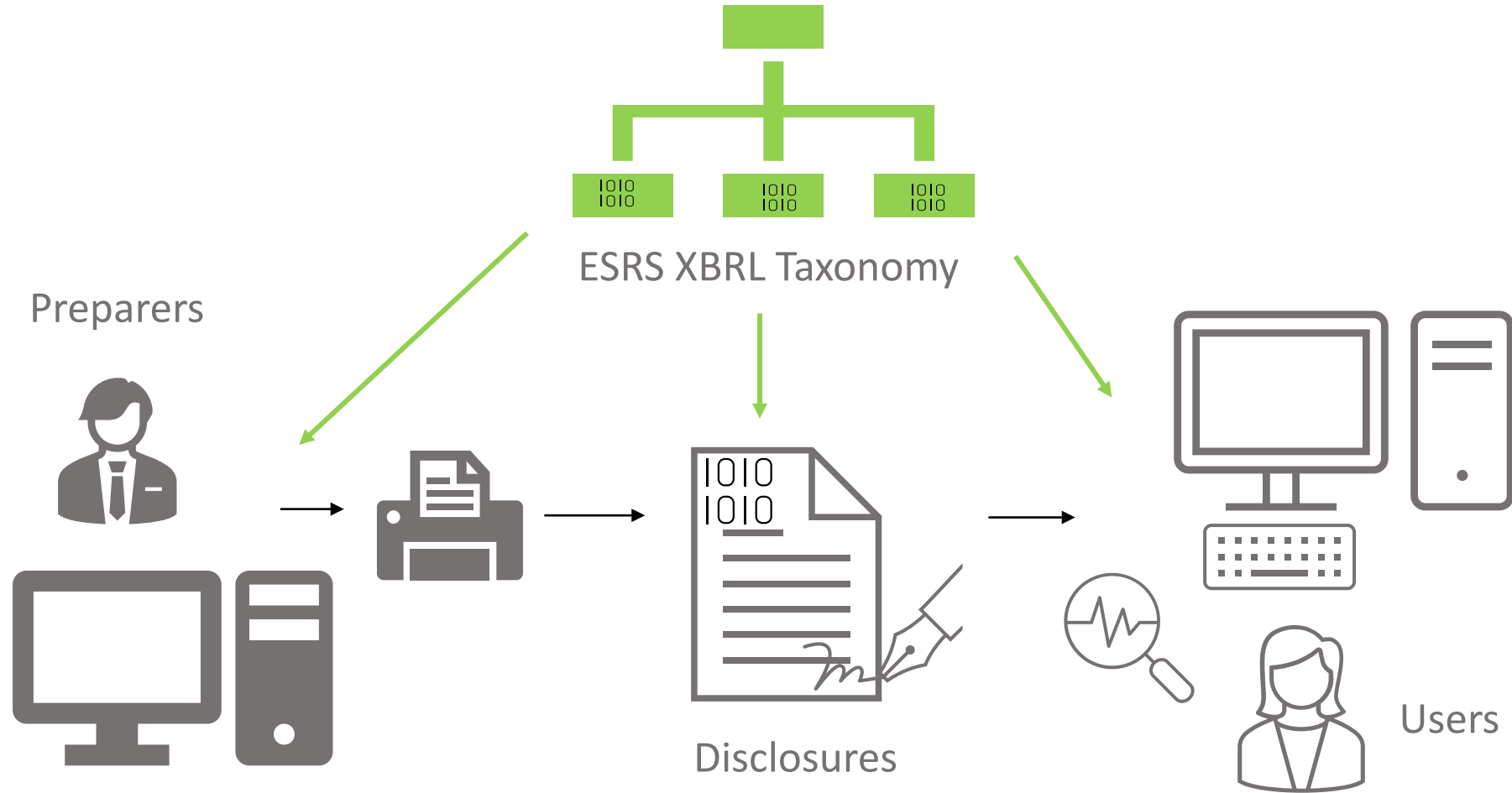
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Enabling *smart* sustainability disclosures with digital tagging

UN ISAR – 7 November 2024, Geneva



The digital ESRS XBRL Taxonomy: building a bridge



Digital Transposition Example: SBM-1

Narrative Disclosures

L1= Level 1

L2 =Level 2

L3 = level 3



Disclosure Requirement SBM-1 – Strategy, business model and value chain

	Presentation Relationships	Ref. Label	Type	References	
38. The undertaking shall disclose the elements of its strategy that relate to or impact sustainability matters, its business model and its value chain.	[200710] ESR2.SBM-1 Strategy, business model and value chain				L1
	Disclosure of elements of strategy that relate to or impact sustainability matters, business model and value chain [text block]		TextBlock	ESRS ESRS 2 38 SBM-1	L2
39. The objective of this Disclosure Requirement is to describe the key elements of the undertaking's general strategy that relate to or affect sustainability matters , and the key elements of the undertaking's business model and value chain , in order to provide an understanding of its exposure to impacts, risks and opportunities and where they originate.	Disclosure of information about key elements of general strategy that relate to or affect sustainability matters [text block]		TextBlock	ESRS ESRS 2 40 SBM-1	L3
	Description of significant groups of products and (or) services offered, including changes in reporting period (new/removed products and/or services)		TextBlock	ESRS ESRS 2 40 a i SBM-1	L3
	Description of significant markets and (or) customer groups served, including changes in reporting period (new/removed markets and/or customer groups)		TextBlock	ESRS ESRS 2 40 a ii SBM-1	L3
40. The undertaking shall disclose the following information about the key elements of its general strategy that relate to or affect sustainability matters :	Total number of employees (head count), at end of period	totalLabel	Integer	ESRS S1 50 d ii S1-6, ESRS G1 AR 8 G	
(a) a description of:	Total number of employees (head count), during period	totalLabel	Integer	ESRS S1 50 d ii S1-6, ESRS G1 AR 8 G	
i. significant groups of products and/or services offered, including changes in the reporting period (new/removed products and/or services);	Number of employees (head count) [abstract]		String		
ii. significant markets and/or customer groups served, including changes in the reporting period (new/removed markets and/or customer groups);	Number of employees (head count) [table]		Table		
iii. headcount of employees by geographical areas; and	Geographical area [typed axis]		Axis		
iv. where applicable and material, products and services that are banned in certain markets;	Number of employees (head count) [line items]		String		
(b) a breakdown of total revenue, as included in its financial statements, by significant ESRS sectors. When the undertaking provides segment reporting as required by IFRS 8 Operating segments in its financial statements, this sector revenue information shall be, as far as possible, reconciled with IFRS 8 information;	Number of employees (head count), at end of period		Integer	ESRS S1 50 d ii S1-6, ESRS G1 AR 8 G	
(c) a list of the additional significant ESRS sectors beyond the ones reflected under paragraph 40(b), such as activities that give rise to intercompany revenues, in which the undertaking develops significant activities, or in which it is or may be connected to material impacts. The identification of these additional ESRS sectors shall be consistent with the way they have been considered by the undertaking when performing its materiality assessment and with the way it discloses material sector-specific information;	Number of employees (head count), during period		Integer	ESRS S1 50 d ii S1-6, ESRS G1 AR 8 G	
(d) where applicable, a statement indicating, together with the related revenues, that the undertaking is active in:	Description of products and services that are banned in certain markets [text block]		TextBlock	ESRS ESRS 2 40 a iv SBM-1	L3
i. the fossil fuel (coal, oil and gas) sector ⁴ , (i.e., it derives revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and the Council ⁵ , including a disaggregation of revenues derived from coal, from oil and from gas, as well as the revenues derived from Taxonomy-aligned economic activities related to fossil gas as required under Article 9(7)(a) of Commission Delegated Regulation 2021/2178 ¹⁶ ; ii. chemicals production ⁶ , i.e., its activities fall under Division 20.2 of Annex 1 to Regulation (EC) No 1893/2006; iii. controversial weapons ⁷ (anti-personnel mines, cluster munitions, chemical weapons and biological weapons); and/or	Total revenue	totalLabel	Monetary	ESRS E1 AR 77 b E1-9, ESRS E1 AR 51	
ii. the cultivation and production of tobacco ²¹ ;	Breakdown of revenue [abstract]		String		
(e) its sustainability-related goals in terms of significant groups of products and services, customer categories, geographical areas and relationships with stakeholders ;	Breakdown of revenue [table]		Table		
(f) an assessment of its current significant products and/or services, and significant markets and customer groups, in relation to its sustainability-related goals; and	Operating segment [typed axis]		Axis		
(g) the elements of the undertaking's strategy that relate to or impact sustainability matters, including the main challenges ahead, critical solutions or projects to be put in place, when relevant for sustainability reporting.	Sectors and economic activities [axis]		Axis		
41. If the undertaking is based in an EU Member State that allows for an exemption from the disclosure of the information referred to in Article 18, paragraph 1, sub-point (a) of Directive 2013/34/EU ⁸ , and if the undertaking has made use of that exemption, it may omit the breakdown of revenue by significant ESRS sector required by paragraph 40(b). In this case the undertaking shall nevertheless disclose the list of ESRS sectors that are significant for the undertaking.	Total sectors and economic activities / NA [member]	totalLabel	Domain		
42. The undertaking shall disclose a description of its business model and value chain , including:	Breakdown of revenue [line items]		String		
(a) its inputs and its approach to gathering, developing and securing those inputs;	Total revenue	totalLabel	Monetary	ESRS E1 AR 77 b E1-9, ESRS E1 AR 51	
(b) its outputs and outcomes in terms of current and expected benefits for customers, investors and other stakeholders ; and	List of additional significant ESRS sectors in which significant activities are developed or in which undertaking is or may be connected to		Enumeration	ESRS ESRS 2 40 c SBM-1	
(c) the main features of its upstream and downstream value chain and the undertaking's position in its value chain, including a description of the main business actors (such as key suppliers , customers, distribution channels and end-users) and their relationship to the undertaking. When the undertaking has multiple value chains, the disclosure shall cover the key value chains.	Undertaking is active in fossil fuel (coal, oil and gas) sector		Boolean	ESRS ESRS 2 40 d i SBM-1, Commis	
	Revenue from fossil fuel (coal, oil and gas) sector		Monetary	ESRS ESRS 2 40 d i SBM-1, Commis	
	Revenue from coal		Monetary	ESRS ESRS 2 40 d i SBM-1	
	Revenue from oil		Monetary	ESRS ESRS 2 40 d i SBM-1	
	Revenue from gas		Monetary	ESRS ESRS 2 40 d i SBM-1	
	Revenue from Taxonomy-aligned economic activities related to fossil gas		Monetary	ESRS ESRS 2 40 d i SBM-1	
	Undertaking is active in chemicals production		Boolean	ESRS ESRS 2 40 d ii SBM-1, Commis	
	Revenue from chemicals production		Monetary	ESRS ESRS 2 40 d ii SBM-1, Commis	
	Undertaking is active in controversial weapons		Boolean	ESRS ESRS 2 40 d iii SBM-1, Commis	
	Revenue from controversial weapons		Monetary	ESRS ESRS 2 40 d iii SBM-1, Commis	
	Undertaking is active in cultivation and production of tobacco		Boolean	ESRS ESRS 2 40 d iv SBM-1, Commis	
	Revenue from cultivation and production of tobacco		Monetary	ESRS ESRS 2 40 d iv SBM-1, Commis	
	Description of sustainability-related goals in terms of significant groups of products and services, customer categories, geographical areas		TextBlock	ESRS ESRS 2 40 e SBM-1	L3
	Disclosure of assessment of current significant products and (or) services, and significant markets and customer groups, in relation to sust.		TextBlock	ESRS ESRS 2 40 f SBM-1	L3
	Disclosure of elements of strategy that relate to or impact sustainability matters [text block]		TextBlock	ESRS ESRS 2 40 g SBM-1	L3
	List of ESRS sectors that are significant for undertaking when omitting breakdown of revenue by significant ESRS sector		EnumerationSet	ESRS ESRS 2 41 SBM-1	
	Description of business model and value chain [text block]		TextBlock	ESRS ESRS 2 42 SBM-1	L2
	Description of inputs and approach to gathering, developing and securing inputs [text block]		TextBlock	ESRS ESRS 2 42 a SBM-1	L3
	Description of outputs and outcomes in terms of current and expected benefits for customers, investors and other stakeholders [text block]		TextBlock	ESRS ESRS 2 42 b SBM-1	L3
	Description of main features of upstream and downstream value chain and undertaking's position in value chain [text block]		TextBlock	ESRS ESRS 2 42 c SBM-1	L3

EFRAG provides additionally: Illustrative Examples of tagged ESRS XBRL Reports, created with an off-the-shelf tagging tool

Inline Viewer - Report

file:///C:/Users/richard.boessen/Downloads/Annex-2-Draft-ESRS-Set1

Highlight ? XBRL Elements

Fact Properties

Concept

- (esrs) Energy consumption from fossil sources

Dimensions

Date

1 Jan 2025 to 31 Dec 2025

Fact Value

3,300,000.00 utr:MWh

Accuracy

2 (hundredths)

Change

No prior fact in this report

Entity

[LEI] efrag

Concept

esrs:Energy...

< 1 of 1 >

Validation

No issues

References

ESRS

Name	ESRS
Number	E1
Paragraph	37
Subparagraph	a
Section	E1-5

Commission Delegated Regulation (EU)

Commission Delegated Regulation (EU)

Calculations

[E1-5] Energy consumption and mix

Vestibulum ante ipsum primis in faucibus orci luctus et ultrices posuere cubilia curae; Quisque vehicula in massa quis convallis. In hac habitasse platea dictumst.

Table 1 Energy consumption and mix (in BOE)

	2025	2026
Total energy consumption	5100	4850
Total fossil energy consumption	3300	3000
Fuel consumption from coal and coal products	650	550
Fuel consumption from crude oil and petroleum products	360	320
Fuel consumption from natural gas	900	760
Fuel consumption from other fossil sources	540	540
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	850	830
Share of fossil sources in total energy consumption	64.71%	61.86%
Consumption from nuclear sources	600	550
Share of consumption from nuclear sources in total energy consumption	11.76%	11.34%
Total renewable energy consumption	1200	1300
Fuel consumption from renewable sources	200	250
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	450	450
Consumption of self-generated non-fuel renewable energy	550	600
Share of renewable sources in total energy consumption	23.57%	26.8%
Non-renewable energy production	2400	2250
Renewable energy production	1000	1100
Total energy consumption from activities in high climate impact sectors	1300	1200
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	5.26	5.11

Ut vel cursus ex. Ut ipsum metus, rutrum nec dui sit amet, pellentesque hendrerit ipsum. Suspendisse tristique vestibulum enim, sit amet interdum lacus tincidunt id. Nulla condimentum aliquam elit pretium rhoncus.

Pellentesque egestas, metus vitae hendrerit dapibus, turpis odio condimentum metus, eu vulputate augue arcu et eros. Fusce sit amet facilisis nibh. Etiam in aliquam libero. Quisque at interdum justo, et dictum diam. Ut sit amet posuere augue, in aliquam sem. Net revenue is 500,000 EUR. Net revenue from activities

Inline Viewer - Report

Inline Viewer - Report

+

← → ↺

file:///C:/Users/richard.boessen/Downloads/Annex-2-Draft-ESRS-Set1-illustrative

Inline Viewer

Report

Highlight ? ☐ XBRL Elements

<

How to Tag Numerical Elements

!

Elements successfully tagged!

E3-4 Water consumption	2025	2026
Company D 31.12. m ³		
Water consumption	5200	4200
Water consumption in areas at material water risk	Year	Unit
Water consumption in areas of high-water stress	550	320
Water recycled and reused	960	450
Water stored	440	350
Changes in water storage	-150	+100
Water intensity ratio (m3/MEUR)	4,8	4

- Name
- [302060] E2-6 Anticipated financial effects...
 - [302810] E2.IRO-1 Description of processes...
 - [303010] E3-1 Policies related to water and...
 - [303020] E3-2 Actions and resources relate...
 - [303030] E3-3 Targets related to water and...
 - [303040] E3-4 Water consumption
 - Disclosure of information about water co...
 - Total water consumption**
 - [303810] E3.IRO-1 Description of processes...
 - [304010] E4-1 Transition plan and consider...

How to Tag Narrative Elements

!

Element successfully tagged!

[E3-1] Policies related to water and marine resources

Name of the policy is policy1. Donec fermentum pulvinar blandit. In nisl nulla, suscipit sit amet viverra eu, fringilla vel mauris. Name or related impact is impact1. Vestibulum eu consectetur eros. Donec ornare dui rutrum velit convallis, nec malesuada libero aliquet. Vivamus interdum laoreet purus, ut tempus odio congue nec. Donec in dui vel est suscipit tempor. Nulla cursus risus et maximus iaculis. Duis pulvinar eros vitae fringilla ultrices. Pellentesque commodo finibus massa, ut convallis dui imperdiet euismod. Proin lacinia nibh condimentum, tempor augue molestie, iaculis purus. Etiam vehicula metus aliquet ipsum sollicitudin, sed consectetur eros faucibus. Mauris blandit mauris sed cursus tincidunt. Morbi quis nisl eu turpis molestie porttitor.

Curabitur dignissim eros vitae tincidunt condimentum. Donec ornare auctor ex vel elementum. Maecenas vel mattis arcu, eu rutrum magna. In laoreet est et felis consequat, et rhoncus orci mollis. Pellentesque et ullamcorper urna. Vestibulum tincidunt, risus quis accumsan rutrum, mi justo dignissim turpis, vitae fermentum libero lorem ac felis. Integer malesuada leo eu blandit tempor. Nunc ornare tellus in erat interdum blandit. Morbi at eleifend quam. Donec maximus, dolor a maximus tincidunt, mi dolor euismod arcu, imperdiet fringilla sapien nunc sed sem. Aenean odio sapien, volutpat at dui vel, feugiat egestas ex. Phasellus ac varius mi. In leo sapien, semper nec tellus vehicula, commodo tempor massa. Sed consequat bibendum dapibus. Mauris mollis luctus enim eu imperdiet. Proin vestibulum, dolor eget imperdiet cursus, ex urna faucibus sapien, eu sollicitudin est enim non quam

Name

- + [302060] E2-6 Anticipated financial effects...
- + [302810] E2.IRO-1 Description of processes...
- + [303010] E3-1 Policies related to water and...
- + [303020] E3-2 Actions and resources relate...
- + [303030] E3-3 Targets related to water and...
- + [303040] E3-4 Water consumption
- + [303050] E3-5 Anticipated financial effects...
- + [303810] E3.IRO-1 Description of processes...
- + [304010] E4-1 Transition plan and consider...

!

[E3-3] Targets related to water and marine resources

Name of the target is target1. Name of related impact is impact1. Name of the related policy is policy1. The measurable target is set to 330 or 20%. Proin suscipit arcu sem, vitae venenatis ex placerat eu. Aenean ac ligula quis risus condimentum mattis. Nullam facilisis rutrum nisi, a consectetur urna scelerisque at. Nunc id volutpat eros. Integer sodales urna in metus dapibus gravida. Sed viverra libero vel dui. Maecenas non elit blandit accumsan, a vestibulum ante ipsum tempus varius. Sed viverra libero vel dui. Maecenas non elit blandit accumsan, a vestibulum ante ipsum tempus varius. Sed viverra libero vel dui. Maecenas non elit blandit accumsan, a vestibulum ante ipsum tempus varius.

Value

☒ True / Yes

☐ False / No

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In eu nisl ac erat rutrum aliquam sed eu leo. Praesent lacinia elit ipsum, quis sollicitudin diam volutpat quis. Fusce lobortis ipsum quis metus auctor, et porta libero tristique. Sed feugiat posuere nibh, sed ultricies tellus rutrum nec.

Name

- + [303020] E3-2 Actions and resources relate...
- + [303030] E3-3 Targets related to water and...
 - + Disclosure of water and marine resource...
 - + ☒ Stakeholders have been involved in ta...
- + [303040] E3-4 Water consumption
- + [303050] E3-5 Anticipated financial effects...
- + [303810] E3.IRO-1 Description of processes...
- + [304010] E4-1 Transition plan and consider...

How to Tag Enumeration Elements

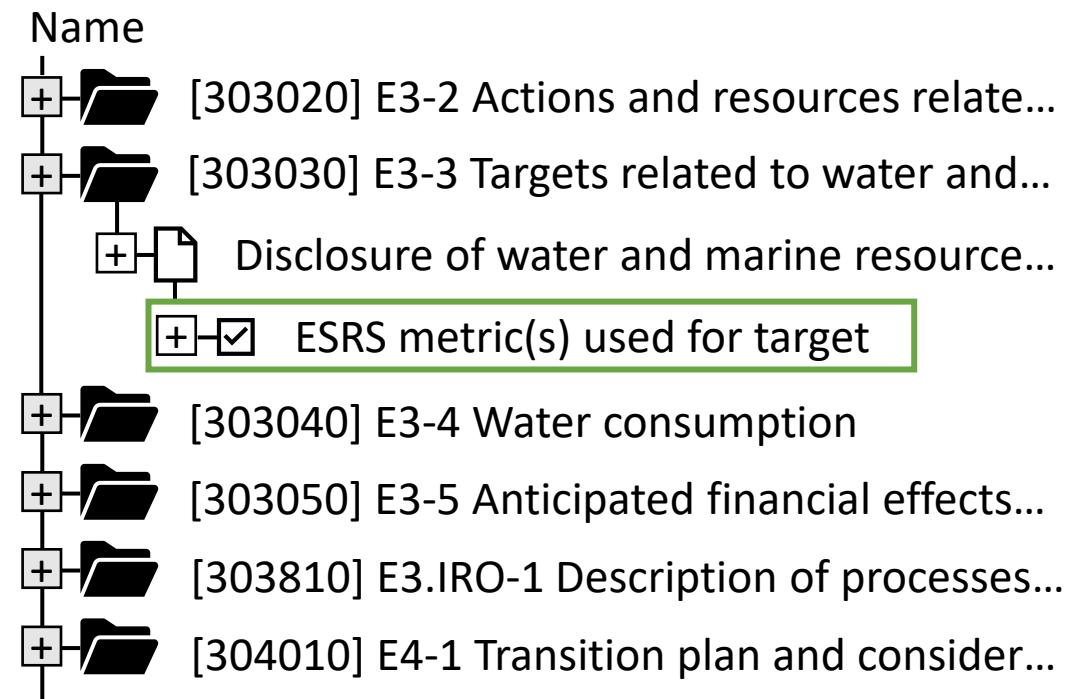
[E3-3] Targets related to water and marine resources

Value
☒ Microplastics used
☐ Emissions to water
☐ Water stored

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! Element successfully tagged!



Data can be extracted from human-readable Inline XBRL reports



Sustainability Statement 2026

[E3-3] Targets related to water and marine resources

Name of the target is target1. Name of related impact is impact1. Name of the related policy is policy1. The measurable target is set to 330 or 20%. Water consumption of 5800 m3. Aenean ac ligula quis risus condimentum mattis. Nullam facilisis rutrum nisi, a consectetur urna scelerisque at. Nunc id volutpat eros. Integer sodales urna in metus dapibus gravida. Cras commodo lorem et est ornare commodo. The baseline value is 250 or 10%. The baseline year is 2026. Sed viverra libero vel dui accumsan, a vestibulum justo ornare. Sed eget dignissim ligula. Vestibulum sed dolor ut ipsum tempus varius. Maecenas non elit bibendum nisl fermentum blandit in in turpis. Sed viverra libero vel dui accumsan, a vestibulum justo ornare. Maecenas lorem sem, posuere ac lacinia sit amet, commodo gravida turpis. Curabitur dignissim libero laoreet, pharetra purus ac, imperdiet nisi. Nam rutrum iaculis nisl et egestas. Maecenas non mauris malesuada, auctor nisi ac, pharetra ligula. In facilisis posuere nisi, eget interdum turpis cursus id. Phasellus efficitur eget leo vitae porttitor.

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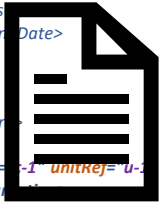
In eu nisl ac erat rutrum aliquam sed eu leo. Praesent lacinia elit ipsum, quis sollicitudin diam volutpat quis. Fusce lobortis ipsum quis metus auctor, et porta libero tristique. When managing our material impacts, risks, and opportunities related to water and marine resources, ...

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Use of digital XBRL reports and their facts for analytical purpose

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</xbrli:xbrl>
  
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Sustainability
Statement 2026

Year ▾

Countries ▾

Sectors ▾

	Company A	Company B	Company C	Company D
Water consumption	5200	5000	6500	5800
Stakeholders have been involved in target setting	true	True	false	true
Disclosure of policies adopted to manage material impacts, risks, and opportunities related to water and marine resources	"In order to manage..."	"Company B decided to ..."	"Company C manages its..."	"When managing our material..."

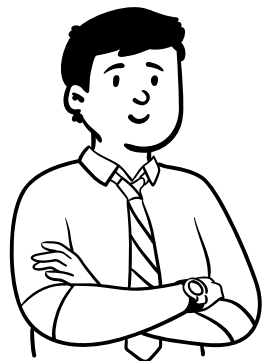
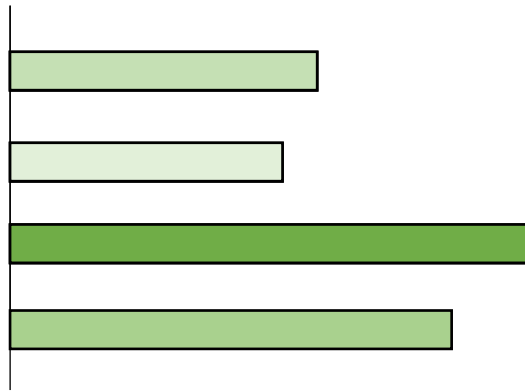
Water consumption ▾

Company A

Company B

Company C

Company D



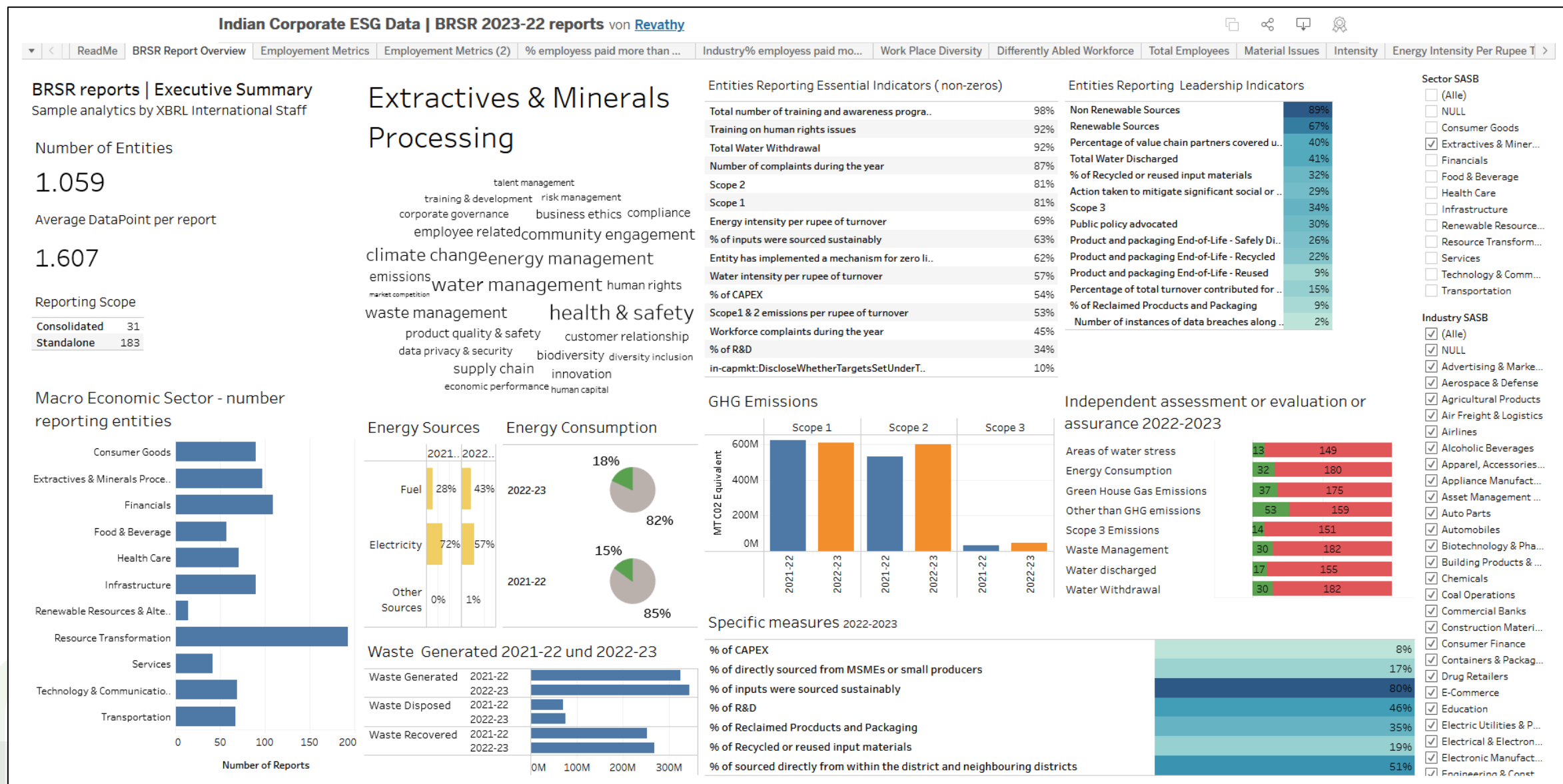
- **Primary users** of general-purpose financial reporting*
 - existing and potential investors,
 - lenders and other creditors, including
 - asset managers,
 - credit institutions,
 - insurance undertakings,
- and **other users** of sustainability statements, including
 - the undertaking's business partners,
 - trade unions and social partners,
 - civil society and non-governmental organisations,
 - governments,
 - analysts
 - and academics.



Including:
ESMA & enforcers,
NCAs, OAMs, audit
firms, Auditing
oversight bodies

* ESRS 1 paragraph 22 b)

Using XBRL Data: Indian ESG Filings are digitised already



Digital tagging increases the usability and comparability

- A digital XBRL taxonomy helps **preparers** to understand the disclosure requirements and can be used to structure their reporting. The ESRS XBRL taxonomy is 100% reflecting the standard.
- It helps **preparers (and users)** to identify inconsistencies (barrier; cross-check of numbers in the report) and increases the data quality with validation rules (e.g. calculations, incomplete disclosures).
- Provides a unique identifier for each datapoint, which enables **comparability**.
- It allows any users of the digital reports to quickly find and extract the information, either by:
 - **Navigating** to the fact in the Inline XBRL viewer.
 - **Extracting** the dataset into a database for data comparison.
- Provides all the necessary **meta data**, like data types (percent, monetary, GHG emissions, etc), units (e.g. MWh), scaling & precision (thousands, millions, billions).
- Booleans (semi-narrative) **avoid inconsistent interpretations** of narrative disclosures and enable filtering & querying of the datasets.
- It enables **auditors and assurance** providers to easily identify which disclosures are been made, and where it is located.
- It **provides machine-learning data**, which are the basis for any AI system.
- **Digital concordance enables comparison and conversion** of interoperable disclosures (e.g. ISSB-ESRS)
- It reduces the **language barrier**: numerical and semi-narrative disclosures can be consumed without being able to read the report language (more than 20 official languages in EU).
- It offers enhanced **accessibility** for individuals with disabilities, such as those who are visually impaired.

XBRL	PDF/Paper
☒	☐
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Avoiding the tagging burden: Using the XBRL Taxonomy as a template - No tagging needed and most appropriate for smaller entities

E3-4 Water consumption	2025	2026	2050
Company D 31.12. m ³	Current and retrospective		Target
Water consumption	5200	4200	1800
Water consumption in areas at material water risk	780	430	220
Water consumption in areas of high-water stress	550	320	150
Water recycled and reused	960	450	210
Water stored	440	350	180
Changes in water storage	-150	+100	-30
Water intensity ratio (m3/MEUR)	4,8	4	3,2

[E3-1] Policies related to water and marine resources

Name of the policy is policy1. Donec fermentum pulvinar blandit. In nisl nulla, suscipit sit amet viverra eu, fringilla vel mauris. Name or related impact is impact1. Vestibulum eu consectetur eros. Donec ornare dui rutrum velit convallis, nec malesuada libero aliquet. Vivamus interdum laoreet purus, ut tempus odio congue nec. Donec in dui vel est suscipit tempor.



2

Preparers will just have to fill in the appropriate information

- The **EU has adopted mandatory and granular sustainability reporting** with the **ESRS**, covering a **wide range of topics**.
- Digitisation of the disclosures is **mandatory** according to the CSRD, using the **free and open XBRL format**.
- A corresponding digital **XBRL taxonomy has been developed** as well, but is **not yet adopted**. Ideally, digital XBRL taxonomies are developed **alongside the disclosure requirements** and **digital tagging is mandated on day one**.
- Digital tagging is way **advanced in comparison to paper- or PDF-based reporting**: It enables **transparency, comparability, accessibility and discoverability** of the data, if mandated properly.
- The advantages of **digital disclosures are mostly on user side** (investors, analysts, etc.), but XBRL taxonomies are useful tools for preparers as well: being used as **digital templates or to structure the disclosures**.
- Standard setters and regulators need to provide **guidance around digital taxonomies**: Workshops, documents, mailboxes (FAQs), videos and digital illustrative reports help undertakings and software vendors to comply with the requirement of preparing digital instead of paper.



Q&A



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